



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 25, 2005

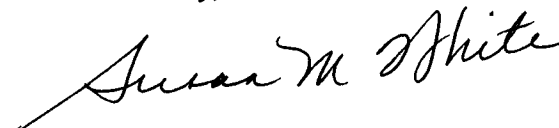
Zions Bank
International Operations
550 South Hope Street, Third Floor
Los Angeles, California 90071

Subject: Release of Standby Letter of Credit SB-509779, Diamond K Gypsum,
DKG Quarry, M/015/041, Emery County, Utah

Dear Sir or Madame:

On February 15, 2005, the Division of Oil, Gas and Mining received notification from you that you had elected not to renew the referenced Standby Letter of Credit for Diamond K Gypsum and that the credit would expire on June 20, 2005. Diamond K has submitted a replacement reclamation bond, and we are, therefore, releasing your letter of credit. The original document is enclosed.

Sincerely,


Susan M White

For Mark Mesch
Acting Associate Director of Mining

MM:PBB:jb

Enclosure: Letter of Credit

cc: Karen Palmer, Diamond K
Angela Wadman, Price BLM

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ZIONS BANK

Established in 1873

INTERNATIONAL BANKING
One South Main
Salt Lake City, Utah 84111 USA
Telephone: (801) 524-4916
Fax: (801) 322-5931

L/C No. 1

June 27, 2000

IRREVOCABLE LETTER OF CREDIT NO. 1

BENEFICIARY:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL GAS & MINING
1594 WEST NORTH TEMPLE
SALT LAKE CITY, UT 84114-5801

and

US DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
324 SOUTH STATE STREET
SALT LAKE CITY, UT 84111

EXPIRATION:

June 20, 2001 or any automatically extended date as
herein below set forth

USA

AMOUNT: USD33,100.00

*Released &
Returned to Bank
4/25/05*

Dear Sir/Madam:

At the request of DIAMOND K GYPSUM INC., 1600 SOUTH RED HILLS DRIVE RICHFIELD, UT 84701, Zions Bank hereby establishes an Irrevocable Letter of Credit in favor of the beneficiaries up to an aggregate amount of Thirty-Three Thousand One Hundred United States Dollars (USD 33,100.00) to expire at our counters on June 20, 2001. This credit is available for payment against presentation of your draft(s) at Sight drawn on Zions First National Bank, Salt Lake City, UT accompanied by this original Standby Letter of Credit and the following documents:

1. SIGHT DRAFT IN THE FORM OF EXHIBIT A, SPECIFYING LETTER OF CREDIT NO. SB-509779.
2. A CERTIFICATE IN THE FORM OF EXHIBIT B, SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF EACH BENEFICIARY RELATIVE TO DIAMOND K GYPSUM, INC. ("DKG"). DKG QUARRY, M/015/041, EMERY COUNTY, UTAH.

THIS LETTER OF CREDIT MAY BE TERMINATED UPON RECEIPT BY THE BANK OF A NOTICE OF CANCELLATION FROM THE DIVISION ACCOMPANIED BY THE ORIGINAL LETTER OF CREDIT.

THIS LETTER OF CREDIT WILL BE AUTOMATICALLY EXTENDED FOR SUCCESSIVE PERIODS OF ONE YEAR FROM THE CURRENT OR ANY FUTURE EXPIRATION DATE UNLESS THE BANK GIVES NOTICE TO THE DIVISION 90 DAYS PRIOR TO THE EXPIRATION DATE THAT THE BANK ELECTS NOT TO RENEW THE LETTER OF CREDIT.

PARTIAL AND MULTIPLE DRAWINGS ARE PERMITTED UP TO BUT NOT EXCEEDING THE AGGREGATE AMOUNT OF THE LETTER OF CREDIT.

ZIONS FIRST NATIONAL BANK (THE "BANK") WILL GIVE PROMPT NOTICE TO THE OPERATOR AND TO THE BENEFICIARIES OF ANY NOTICE RECEIVED OR ACTION FILED ALLEGING THE INSOLVENCY OR BANKRUPTCY OF THE BANK, OR ALLEGING ANY VIOLATIONS OF REGULATORY REQUIREMENTS WHICH COULD RESULT IN SUSPENSION OR REVOCATION OF THE BANK'S CHARTER OF LICENSE TO DO BUSINESS.

RECEIVED

JUN 28 2000

DIVISION OF
OIL, GAS AND MINING

JUNE 27, 2000

THE LETTER OF CREDIT WILL BE GOVERNED BY THE LAWS OF THE STATE OF UTAH AND SHALL BE SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDIT, 1993 REVISION, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 500, AS THE SAME MAY BE AMENDED AND IN EFFECT FROM TIME TO TIME ("UCP"). IN THE EVENT OF A CONFLICT BETWEEN UTAH LAW AND THE UCP, UTAH LAW SHALL GOVERN.

ALL COMMUNICATIONS REGARDING THIS LETTER OF CREDIT WILL BE ADDRESSED TO THE BANK, 1 SOUTH MAIN STREET, SALT LAKE CITY, UT 84111, REFERENCING LETTER OF CREDIT NO. 1

We hereby agree with drawers, endorsers and bona fide holders that all draft(s) drawn under and in compliance with the terms of this letter of credit will be honored upon presentation and delivery of documents to us as specified herein.

Sincerely,



Authorized Signature

EXHIBIT A - SIGHT DRAFT

to
Letter of Credit No.

Date

City, County

Letter of Credit No.

PAY TO THE ORDER OF: UTAH DIVISION OF OIL GAS AND MINING

DOLLARS

TO: ZIONS FIRST NATIONAL BANK
ONE SOUTH MAIN ST.
SALT LAKE CITY, UT 84111

Utah Division of Oil, Gas, and Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

By: _____
Authorized Signature

EXHIBIT B
to
Letter of Credit Number _____

I, _____ a duly authorized representative of the Utah Division of Oil, Gas and Mining, hereby certify that (1) the drawing in the amount of \$ _____, by sight draft accompanying this certificate, under Letter of Credit No. _____ dated _____ issued by you is permitted under the provision of the Letter of Credit, (2) the Letter of Credit has neither expired nor terminated pursuant to its terms, (3) the amount of the sight draft, together with any amounts previously drawn under the Letter of Credit, does not exceed the Face Amount, and (4) the Utah Board of Oil, Gas and Mining, after notice and hearing, has entered an Order which has not been stayed, ordering forfeiture of the Reclamation Contract number _____, in accordance with applicable law. Proceeds of this drawing will be utilized in full to pay the expenses relating to the reclamation liability for the _____ [mine], _____ [mine permit #1].

The Utah Division of Oil, Gas and Mining

By: _____
Authorized Signature

Date: _____

Bureau of Land Management

By: _____
Authorized Signature

Date: _____